

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CU-04 EB-08 CIAE-00 DODE-00 INR-10
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FM AMEMBASSY MADRID
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INFO AMEMBASSY PARIS

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USOECD

E.O.11652:N/A
TAGS: EFIN, ETRD, OECD, SP
SUBJ: SPANISH RESTRICTIONS ON FOREIGN FILMS

REF: PARIS 10148

1. DURING RECENT VISIT TO SPAIN IN LATE FEBRUARY AND
EARLY MARCH, PARIS-BASED REP OF MOTION PICTURE EXPORT
ASSOCIATION OF AMERICA (MPEAA) FRED GRONICH CALLED ON
THE AMBASSADOR TO EXPLAIN THE ASSOCIATION'S CONCERN
WITH THE LICENSING REQUIREMENT AND TAX STILL BEING
IMPOSED BY THE GOS ON FOREIGN FILMS DUBBED INTO SPANISH
PRIOR TO THEIR DISTRIBUTION IN SPAIN. SINCE THE DUBBING
TAX AFFECTS FILM INDUSTRIES OF SEVERAL COUNTRIES, GRONICH
SAID THAT THE MPEAA HAD DECIDED NOT TO MAKE THE MATTER
A BILATERAL ISSUE BUT TO JOIN WITH THE FILM INDUSTRIES
OF BRITAIN, FRANCE, AND ITALY TO REQUEST REVIEW IN THE
OECD INVISIBLES COMMITTEE OF SPANISH RESERVATIONS TO
OECD COMMITMENTS UNDER THE CODE OF LIBERALIZATION OF
CURRENT INVISIBLES OPERATIONS.

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2. THE AMBASSADOR AGREED THAT THE MULTILATERAL APPROACH
ENVISAGED WOULD HAVE THE GREATEST IMPACT. HOWEVER, THE
AMBASSADOR SAID HE WOULD RAISE THE MATTER WITH SPANISH
FINANCE MINISTER FERNANDEZ ORDONEZ, SPEAKING ONLY OF
COURSE FOR THE INTEREST OF THE U.S. FILM INDUSTRY.
HE DID SO ON MARCH 6, AND THE FINANCE MINISTER SAID HE
WOULD SEE WHAT COULD BE DONE TO MODIFY THIS HOLDOVER

PROTECTIONIST MEASURE FOR THE SPANISH FILM INDUSTRY.
ON MARCH 2, AN EMBOFF ALSO DISCUSSED THE DESIRABILITY OF
LIBERALIZATION OF THE DUBBING TAX WITH THE FOREIGN
MINISTRY'S DEPUTY DIRECTOR GENERAL FOR MULTILATERAL
ECONOMIC AFFAIRS AND WITH THE FINANCE MINISTRY'S DIRECTOR
GENERAL FOR INDIRECT TAXATION.

3. ALTHOUGH THE GOS DECREED SIGNIFICANT LIBERALIZATION
OF CINEMATOGRAPHIC ACTIVITIES IN SPAIN ON DECEMBER 1,
1977 (MADRID'S A-42 OF MARCH 1, 1978), THE DUBBING TAX
ON FOREIGN FILMS REMAINS. THE EMBASSY BELIEVES THAT A
MULTILATERAL APPROACH THROUGH THE OECD WOULD BE MOST
EFFECTIVE IN ENCOURAGING FURTHER LIBERALIZATION. STABLER

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Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FILMS, EXPORTS, TRADE CONTROLS, LICENSES, TAXES
Control Number: n/a
Copy: SINGLE
Draft Date: 28 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
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Disposition Date: 20 Mar 2014
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Format: TEL
From: MADRID
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ISecure: 1
Legacy Key: link1978/newtext/t19780319/aaaaapnc.tel
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